

Quick Start Guide



King County

To Purchasing Goods and Services



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Introduction



Purpose of the Guide

This Quick Start Guide to Purchasing Goods and Services is a handy resource on basic procurement and contracting requirements for departments, offices and agencies within King County.

Procurements for King County must comply with many federal, state and local laws. The steps in this Guide ensure that the purchase process:

- Creates open and fair competition
- Includes all the terms and conditions to protect the County
- Meets ethical standards

What this Guide covers

Goods

Goods are tangible items, which are manufactured things that are moveable at the time of purchase. Financial and investment securities are not goods.

Examples: Office Supplies, Fuel, Auto Parts, Bus Parts, Sand, Rock & Gravel, Tires, Food, Uniforms, Medical Equipment, Furniture, Computer Hardware, Janitorial Supplies

Services

Services are the labor, time or effort of a human being.

Examples: Training, Janitorial Services, Equipment Installation, Software Upgrades, Installations, Maintenance, Environmental Impact Studies (EISs), Temporary Help

Technical Services

Technical Services are consulting specialized services that require advanced ability, expertise or education to solve a problem or complete a task.

Examples: Surveys and Studies, Systems Analysis, Financial Services, Program Development, Specialized Training, Recycling/Marketing Programs

Technology (IT) Goods and Services

IT goods are specialized products that are used for telecommunications or that are programmable. IT Services are specialized Technology services that require advanced technological ability, expertise or education to solve a problem or complete a task.

Examples: PC's, Telephones, Software, Hardware, Maintenance, etc.

Contact our staff about your procurement. For a list of staff and their various procurement specialties visit: http://financweb.metrokc.gov/procurement/documents/u_001_staff_list.doc

For more information on technology contracts visit: http://financweb.metrokc.gov/procurement/goods_services/technology.asp.

King County Procurement

Procurement in King County is the process through which departments, offices, and agencies acquire the goods and services they need to perform their specific missions.

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What this Guide does not cover

Procurements for public works, professional sources and exempt purchases are beyond the scope of this Guide.

Public Work

Includes all work, construction, alteration, repair, or improvement other than ordinary maintenance, executed at the cost of the County.

Professional Services (A&E)

Are those services provided by independent contractors within the scope of architecture and engineering that require specialized knowledge, advanced education or professional licensing or certification, and where the primary service provided is mental or intellectual, involving the consistent exercise of judgment and discretion.

Exempt Purchases

Are items that are not open to competition, such as subscriptions and memberships.

How to define the purchasing need

Key Questions:

1. What is the specific need?
2. Is it a good, service, technical service or technology good or service?
3. Approximately how much will it cost?
 - a. Under \$5,000
 - b. \$24,999 or under?
 - c. \$25,000 or more?

Options for meeting the need

Once a need is defined, an agency may be able to use an existing contract, or may initiate a new procurement. The following types of existing contracts could be used: universal King County contracts, existing state contracts, some contracts from other governments, and King County master contracts.

If no existing contract is in place that can meet the agency need, then a new procurement can be initiated. If a new procurement is needed, it might be possible to waive open and competitive bidding requirements if the procurement meets legal tests for proprietary procurement.

1. Use an existing King County contract (universal contract)

King County has a large number of “universal” contracts that can be used by all agencies. These contracts are available to purchase a wide range of

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goods including office supplies, personal computers, cell phones, paper, office furniture, water, copy and fax machines, and software.

To inquire whether there is an existing universal contract available for the desired product, please contact PCSS at 206-263-9400.

2. ***Use an existing state contract.***

King County can use some existing state contracts to purchase goods, a kind of contracting known as “piggybacking”. Both the Washington State Office of Procurement and Department of Information Services offer contracts that King County can often use provided that the state operated their solicitations with a process that meets King County’s bidding requirements.

To determine if there is a contract available for use, use the links below to search, or contact PCSS for help. If goods or services on these contracts meet the needs at a reasonable cost, PCSS will review the state contract and process either a purchase order or a contract, whichever is needed.

The first step in using a state contract is to send a requisition to PCSS for the desired commodity and inform them which state contract is applicable. If a state contract can be used for the goods or services needed, the piggybacked purchase acts just like a waiver and the agency can proceed to contract award.

Washington State, Office of State Procurement
<http://www.ga.wa.gov/pca/index.html>

Washington State, Department of Information Services <http://techmall.dis.wa.gov/>

3. ***Use a contract from another governmental agency.***

Contracts by other government entities can be used to acquire goods and services. When an agency wishes to use a contract prepared by a government agency other than Washington State, PCSS will review the contracting process used by that agency to ensure it meets King County code. PCSS will also execute the cooperative purchasing agreement required by Washington State Law. As with the state piggybacking process, PCSS will process either a purchase order or contract -- whichever best suits the agency’s needs.

Western States Contracting Alliance (WSCA)
<http://www.aboutwsca.org>

4. ***Use a King County Master Contract.***

King County, through a competitive bid process, has created a pool of consultants who have been prequalified to perform work in Organizational and Training Development and in Information Technology (IT) Services. These are external consultants with proven track records in the public and private sectors. The County has entered into Master Contracts for

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the purpose of assisting projects toward a successful completion. King County agencies may use these experts without going through a separate competitive bid procurement process, saving considerable time and money. All costs for external consultants are paid by the requesting agency.

Master Contracts are managed by the issuing agency, with the assistance of PCSS. Use the links below for Master Contract information.

Organizational and Training Development Master Contracts offer Training, Organization Development (OD) Services, Conflict Resolution and Team Development Services, Business Performance Improvement (business processes), Meeting Facilitation Services and Performance Coaching Services. Click here to learn more:

<http://ohrm.metrokc.gov/training/consultant.htm>

Office of Information Resource Management Master Contracts offer information technology related consulting, including IT Project Management, Information Technology Solutions, Technology Planning and Consulting, Security and Privacy, Training, and Technical Writing and Documentation. Click here to learn more:

http://kcweb.metrokc.gov/oirm/tools_templates/WorkOrderProcess.aspx

5. **Proprietary Purchases**

A purchase may qualify for a proprietary waiver. It is important to note that a waiver waives **ONLY** the requirements for competitive bidding. It does not waive any contractual requirements, insurance requirements, or requirements for forms.

The following are all legitimate exemptions to the requirements for full and open competition:

- Single Source
- Special facilities
- Special market conditions
- Emergency

See King County's website for information on how to get a waiver.

http://financeweb.metrokc.gov/procurement/goods_services/waivers.asp

King County agencies can enter into multi-year agreements in one of three ways:

- Any contract that exceeds 12 months must include a specific clause which allows King County to terminate a contract for non-appropriation of funds, convenience, or default. Because contracts frequently span two fiscal years (ie the contract is entered into for a period of 12 months from May through April), this cancellation clause is standard for all County contracts.
- The council can specifically authorize the multi-year agreement by ordinance.
- The funding for the entire term of the contract is included in a capital appropriation.

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Types of Procurements

King County makes many small and large purchases every year. Procurements range from less than a dollar to millions of dollars. The County has established specific definitions for each type of procurement based on levels of spending *Six-step-Procurement Process*. Among the criteria are dollar limits, competition, and requirements for requisitions, advertisement, and purchase orders.

Small Purchases

Small purchases are those under \$25,000. These are divided into three categories:

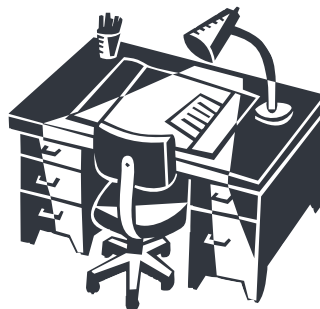
1. Petty cash (up to \$100)
2. Direct voucher or Limited Purchase Order (up to \$4,999)
3. Three quote process (\$5,000 to \$24,999.99)

Each category of small purchases is labeled for the process used to buy the item.

Large Purchases

Large purchases are those \$25,000 and above. The County uses two basic procurement processes for those -- the ITB and the RFP. Because developing an ITB shares much in common with developing an RFP, this guide describes the common six-step process for making a large purchase using either type of procurement. Also used, at times, are specialized processes - the RFQ or RFI.

1. The "Invitation to Bid" or ITB is a sealed, bid procurement.
2. The "Request for Proposal" or RFP is a negotiated procurement.
3. The "Request for Qualifications" or RFQ is a process to obtain qualification information about proposers.
4. The "Request for Information" or RFI is a process to seek information about a product or service for which the County is researching to determine needs and what is available in the market.



Introduction

Figure 1. King County Purchasing Chart

Type	Dollar Limit (including tax & freight)	Requisition	ITB or RFP	Ad	Purchase Order
Small (up to \$24,999)					
Petty Cash	Up to \$100.00	No	No	No	No
Direct Voucher	Up to \$4,999.99	No	No	No	No
Limited Purchase Order (LPO)	Up to \$4,999.99	Yes	No	No	Yes
3-Quote Process	\$5,000.00 - \$24,999.99	Yes	No	No	Yes
Large (over \$25,000)					
ITB or RFP	\$25,000+	Yes	Yes	Yes	Yes
Emergency	No	Yes	To extent practicable		Yes

Introduction



Procurement Documents

The following definitions provide a basic understanding of documents that are routinely used in King county's procurement process.

- **Requisition:** *These are forms (requests) submitted to Procurement to solicit bids/proposals. They include accounting data and are submitted by an individual with the authority to do so. They should detail the need: specifications or scope of work for services.*
- **Solicitations:** *These are Invitations to Bid (ITB), and Request for Proposals (RFPs). Either of these documents may result in a binding contract or PO.*
- **Offers:** *These are bids or proposals made by businesses to supply either goods or services.*
- **Contracts:** *These are the final agreements between the County and the supplier to buy/sell. It may have terms and conditions that are special or negotiated.*
- **Purchase order (PO):** *A simple type of contract that binds the solicitation and offer.*
- **Addendum:** *A change made to a solicitation—issued by PCSS.*
- **Change Orders:** *These are changes to purchase orders or amendments to contracts- issued by the contracting agency.*

Many other documents are created during the process of making a purchase and kept in the contract file, but they are not technically procurement documents. These are forms (requests) submitted to Procurement to obtain a Purchase Order (PO) or solicit bids/proposals.



Procurements for King County must comply with many federal, state and local laws. The steps in this Guide ensure that the purchase process:

- *Creates open and fair competition*
- *Includes all the terms and conditions to protect the County*
- *Meets ethical standards*

Small Purchases



What is a Non-Capital Expense?

A non-capital expense is a one-time purchase that costs less than \$5,000

Some examples?

- walk-behind lawn mowers
- veterinary costs
- promotional items (give away pens and pencils)
- books, maps, videos
- fax machines
- typewriters

Petty Cash (up to \$100)

Use petty cash for purchases under \$100.00. Most King County departments have a petty cash fund. Purchases must be for appropriate goods and services:

Procedure:

1. **Agency:** Checks that the total cost—including all taxes and freight—does not exceed **\$100.00**
2. **Agency:** Makes direct purchase
3. **Agency Supervisor:** Authorizes reimbursement on review of petty cash slip and sales receipt
4. **Agency's Petty Cash Custodian:** Reviews approval, petty cash slip, and sales receipt. Reimburses Agency.

Direct Voucher (up to \$4,999.99)

Non-Capital Expense: The Direct Voucher is an approval form that accompanies an invoice sent to accounts payable. It applies to a one-time purchase that costs less than \$5,000 and is a non-capital expense.

Procedure:

If the total purchase price—including all taxes and freight—**does not exceed \$4,999.99:**

TASK		ACTION
1	Agency	Makes direct purchase. A requisition or PO is not needed.
2	Agency	Calls vendor who has a record of providing goods and services in a timely manner and at a competitive price. Call a buyer at PCSS (206-263-9400) if you need assistance with finding a vendor.
3	Agency	Forwards invoice with voucher and authorized signatures to AP (Accounts Payable).

Small Purchases



A Capital Expense: is an item that costs \$5,000 or more **—including all taxes and freight**—and has a life span of more than 3 years. For instance, a bookcase selling for \$250 would not be a capital expense, but a trash compactor selling for \$7,000 would be considered a capital expense.

Procedure:

TASK		ACTION
1	Agency	Prepares a requisition. For Requisition Information click: http://financeweb.metrokc.gov/procurement/goods_services/requisitions.asp
2	Agency	Calls vendor with record of timely goods and services at competitive prices. Call buyer (206-263-9400) if you need assistance with finding a vendor.
3	Agency	Sends requisition and quote to PCSS to get a PO. Either the agency or PCSS can place the order.

Three-Quote Process (under \$25,000)

If an item costs less than \$25,000, an agency can contract or acquire goods or services without an ad or formal sealed bid through the Three-Quote Process. (Note: the \$25,000 must include all taxes and freight).

Use the following procedure to get three quotes. As an option, PCSS can get the quotes.

PCSS (206-263-9400) can provide assistance to an agency to determine where to buy or to help the agency describe what is being purchased.

In some cases, an agency may want to use the Six-Step Procurement process (page 13) even though the cost is under \$25,000. A good example is a purchase of janitorial services, where prevailing wages apply and services are performed on County property.

Bid documents provide stronger terms and conditions than a quote can give. If special terms or conditions are needed, an agency should use a bid using the Invitation to Bid (ITB) or Request for Proposal (RFP) process. Use Six-Step Procurement to do an ITB (page 13).

Small Purchases

What's Magic About \$24,999.99?

King County can spend a maximum of \$24,999.99 without advertising the solicitation. This amount must include all freight, taxes, and all other costs.

Procedure:

TASK		ACTION
1	Agency	Prepares a requisition. Budget authorization is required for the purchase. Authorization is provided by a person who certifies that monies are available for the purchase. In ARMS, the final price will be encumbered against that budget.
2	Agency	Determines whether insurance is required or whether there are any other requirements. To determine insurance requirements, the agency can either contact Risk Management (http://kcwebdirectory.metrokc.gov/GroupDetail.asp?GroupID=10590) 206-296-7432 or PCSS (206-263-9400). PCSS can also assist the agency to determine other requirements that may be applicable.
3	Agency	Contacts a minimum of 3 vendors for a quote. <ul style="list-style-type: none"> • Keep a record of the quotes • Quotes can be solicited and received by telephone, fax, or e-mail.
4	Agency	Reviews quotes. <ul style="list-style-type: none"> • Can the vendor sell what is needed? • Did the vendor quote the item requested? Tallies results and determines the lowest quote <ul style="list-style-type: none"> • If lowest quote can meet the agency needs, go to Task 5 • If an agency decides to skip lowest quote and use another vendor, reason should be noted on requisition and documentation sent to PCSS in Task 5
5	Agency	Sends approved requisition and documentation of quotes to PCSS
6	PCSS	<ul style="list-style-type: none"> • Reviews documentation • Creates Purchase Order (PO)
7	Agency/ PCSS	PCSS or agency orders the goods. PCSS is available to assist throughout the process.
8	Agency	If a negotiated contract: If the purchase is done through a negotiated contract rather than a PO, then the agency is responsible for preparing the contract, and securing all required contracting forms (click on link below) and signatures. The agency must send a copy of the executed contract to PCSS. The agency is responsible for arranging Prosecuting Attorney review, if needed. http://financeweb/procurement/documents/G_034_GuideToForms.pdf

Large Purchases



Large purchases at King County are defined as items costing \$25,000 and above. Two types of procurements are used for large purchases: Invitation to Bid (ITB) or Request for Proposals (RFPs). This section describes a Six-Step procurement process that fits either ITB or RFP.

Six-Step Procurement

The Six-Step Procurement process is designed to give King County departments, offices, and agencies a basic understanding of how to make large purchases of goods and service. The following are the six steps:

1. Define need
2. Build ITB/RFP
3. Issue ITB/RFP
4. Evaluate Bid/Proposal
5. Create Purchase Order/Contact
6. Administer Contract

These steps occur within the overall procurement cycle of planning, purchasing, and contract administration. See the [Six-Step Process graphic \(page 13\)](#).

The agency is primarily responsible for planning (defining what is needed, when and where, the available budget, etc). PCSS handles the purchasing stages (issuing the ITB/RFP, tabulating bids, handling protests etc). PCSS and the agency share duties for the final stage - contract execution and administration. The six steps described in this Guide spell out the agency role, PCSS' role, and how the agency and PCSS work together to ensure a successful procurement.

A purchase may not be split into many small pieces to keep it under \$25,000. These smaller purchases are monitored.

What makes a good deal? Terms, price, warranty, delivery are just a few.



Stages of Procurement

The terms “purchasing” and “procurement” are often used interchangeably. Purchasing, however, is only one stage of the procurement cycle of planning, purchasing, and contract administration.

King County Procurement Process

Agency ◆
PCSS □
Client/PCSS ❖

START

Planning

Purchasing

Contract Administration

1

Define Need

- ◆ Identify need or problem
- ◆ Confirm budget
- ◆ Identify if grant, state or federal and tell PCSS
- ❖ Describe purchase
- ◆ Develop requisition
- ◆ Write Terms, Specs or SOW
- ◆ Submit Requisition form and specs to PCSS

WAIVER?
Only One Source

STATE?
Using a State Contract?

go to step 5

Requisition

2

Build ITB/RFP

- ❖ Confer w/ PCSS:
 - Create ITB or RFP draft
- ❖ Develop Bidder/Proposer List
- ◆ Determine if Risk or PAO required and tell PCSS
- ❖ Review Final ITB/RFP

3

Issue ITB/RFP

- Determine where to publish & advertise
- ◆ Update Vendor List
- Send ITB/RFP to bidders/proposers
- ◆ Review and answer questions
- Issue addenda
- Open bids/receive proposals

4

Evaluate Bid/Proposal

- Determine Responsiveness
- If Bid –
 - Determine low bidder
 - Handle issues
 - Send bid results to client
 - If Yes go to Award
- If RFP –
 - ❖ Request clarifications
 - ❖ Evaluate proposal
 - ❖ Conduct negotiations
 - ❖ Select Best Value Proposer

5

Award /Create PO Contract

- ITB –
 - Award bid
 - Convert requisition to PO
- RFP –
 - ❖ Complete negotiations w/ Best Proposer
 - ❖ Combine addenda, RFP, proposal, negotiation into contract
 - ❖ Award contract
 - Award/Create P.O. or Contract
 - ◆ Secure final reviews and contracts
 - ◆ Get Dept Director signature
 - Collect forms and attachments

6

Administer Contract

- ❖ Order goods or services
- ◆ Write vouchers or receiving reports
- ◆ Monitor performance
- ◆ Process invoices
- ❖ If any: Make Change Orders
- ❖ If any: Handle contract issues

Step 1: Define Need

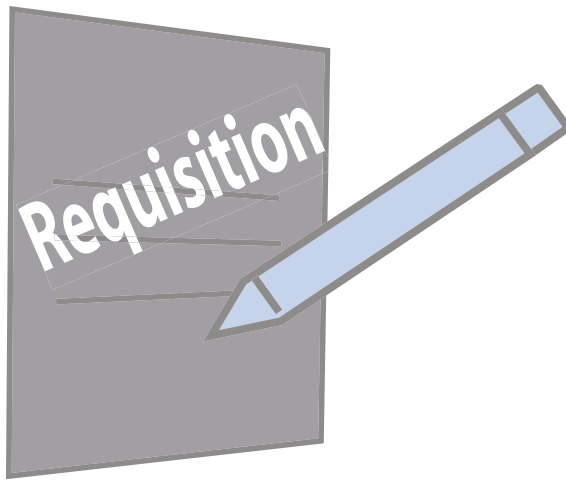


Step 1: Define Need

Purpose

The first stage of procurement is planning. This phase belongs almost entirely to the agency. Begin by defining exactly what is needed. Be specific.

This step ends with a requisition form prepared by the agency and submitted to PCSS. The requisition must be complete and specific in order to move to the next step, building the bid or request for proposal.



Step 1: Define Need

Procedure

TASK		ACTION
1	Agency	Identifies problem or need.
2	Agency	Confirms budget authority is sufficient for procurement.
3	Agency	Identifies if any grants or federal requirements apply. • If federal requirements apply , tell PCSS now.
4	Agency	<p>Describes purchase: goods, services, technical consulting:</p> <ul style="list-style-type: none"> • Is this a single purchase <u>or</u> an ongoing need? • What is the time period of the contract? <p>If Goods:</p> <ul style="list-style-type: none"> • Identify the goods required. • State the quantity of each item. • Give estimate of annual use if ongoing need. <p>If Service:</p> <ul style="list-style-type: none"> • Describe clearly what services need to be performed. • How many people are needed and what skill level is required? • Where and when will the service be done? • What licensing and skills does the consultant need to have? • What equipment or material is to be supplied? • What do service vendors need to know about the agency operation or work area? <p>If Goods and Services Combined:</p> <ul style="list-style-type: none"> • Use both lists, and note if installation, testing, final acceptance or other requirements apply. <p>PCSS can provide assistance such as:</p> <ul style="list-style-type: none"> • Early review and feedback on the draft requisition. • Sample specifications from previous purchases. • Usage reports from the last contractor.
5	Agency	<p>Develops requisition. It includes:</p> <ul style="list-style-type: none"> • Brief description of the purchase. • Quantity. • Performance period/delivery schedule. • Budget or distribution or funding source. • (If any) requirements for grants or waivers. • Authorized signature. <p>Requisition Info (http://financeweb.metrokc.gov/procurement/goods_services/req_ibis.asp)</p>
6	Agency	Submits Requisition Form and specifications to PCSS.

Step 2: Build ITB/RFP



Step 2: Build ITB/RFP

Purpose

The second step in the six-step process is building the ITB or RFP. PCSS has the lead role.

Procedure

TASK		ACTION
1	Agency/ PCSS	Confer to: <ul style="list-style-type: none">• Discuss Special/Supplementary conditions.• Review Contract Provisions.• Discuss Responsibility/Responsiveness Criteria.• Pick procurement method - ITB or RFP.• Discuss insurance requirements and need for review by Risk Management.• Discuss the role of the Prosecuting Attorney's Office (PAO) and Risk Management in reviewing procurement documents and contracts. Agency may choose to involve the PAO and Risk.• Discuss Method of Award.
2	PCSS	Creates ITB or RFP draft with the specifications defined by the agency and adjusts the standard document as needed.
3	Agency/ PCSS	Develop Bidder/Proposer List.
4	Agency/ PCSS	Review Final ITB/RFP: <ul style="list-style-type: none">• Clarify language. This means the language is clear and does not conflict with other parts of the solicitation.• Minimize conflicts with contract terms.

DRAFTS

Depending on the complexity of the goods or service needs, several drafts of the ITB/RFP may go back and forth between the agency and PCSS. This exchange is normal. It helps ensure that (1) the agency gets what is needed and (2) that there is open and fair competition.

Two Types of Procurement: ITB vs. RFP

The **ITB** process requires the bidder to submit a sealed bid. There is no possibility to discuss or negotiate with the bidders. A contract is awarded to the low bidder meeting the requirements.

Don't confuse Request for Proposals (RFP) with ITBs.

The **RFP** process requires the proposer to submit a sealed **proposal**. Proposals are then **evaluated** and ranked by an agency evaluation team to determine who best meets the requirements in the RFP.

Price is just one of several criteria. There may be negotiations with one or more proposers before contract is actually signed.

Step 3: Issue ITB/RFP

Step 3: Issue ITB/RFP

Purpose

Now it's time to issue the ITB or RFP. In this step, PCSS and the agency share two key activities - holding the pre-bid or pre-proposal conference (optional) and answering bidder' or proposers' questions about the intended purchase.

TASK		ACTION
1	PCSS	<ul style="list-style-type: none">• Determines where to publish ad. Must use at least official County sources• Advertises when ITB/RFP is issued, at least 13 days before bid opening
2	PCSS	Updates new entities for distribution list
3	PCSS	Develops bidder/proposer list
4	PCSS	Sends ITB/RFP to potential bidders or proposers
5	Agency/ PCSS	<ul style="list-style-type: none">• Attends Pre-bid or Pre-proposal Conference• Reviews questions PCSS gathers from bidders or proposers and prepares a response for PCSS
6	PCSS	<ul style="list-style-type: none">• Gathers questions from bidders/proposers, discuss responses with Agency• Prepares addenda (one or more as needed) to get answers to bidders or proposers
7	PCSS	Issues addenda (as needed)
8	PCSS	Opens bids or receives proposals

Step 3: Issue ITB/RFP

Differences Between an ITB and an RFP

FEATURES	ITB (SEALED BID)	RFP (NEGOTIATED)
Advertisement	Yes	Yes
Public Bid Opening	Yes. Dollar totals may be read	Yes. Only Proposing companies' names are read
Contract Type	e.g. <ul style="list-style-type: none"> • Firm Fixed price (Lump Sum) -or- • Unit Price, Indefinite Quantity 	e.g. <ul style="list-style-type: none"> • Firm Fixed Price (Lump Sum) -or- • Payment based on completion of specified work -or- • Unit Price (Indefinite Quantity) -or- • Payment determined by completion of specific tasks (milestones)
Responsive-ness	e.g. <ul style="list-style-type: none"> • Turned in on time • Bid forms completed • Met minimum specs 	<ul style="list-style-type: none"> • Turned in on time • Responded to questions • Proposal completed • Met minimum requirements • Provided required documents
Responsibility	e.g. <ul style="list-style-type: none"> • References checked • Adequate inventory • Adequate facilities 	<ul style="list-style-type: none"> • Can provide a completed system • References checked • Financial capacity is sufficient • Demonstrated ability to perform
Evaluation Criteria	<ul style="list-style-type: none"> • Lowest bidder meeting test for responsibility and responsiveness • Can result in multiple award or one single award 	Ranked by weighted subjects like: <ul style="list-style-type: none"> • Technical ability • Management plan • Cost/Price • Approach to project • Experience

Step 4: Evaluate Bid/Proposal

Step 4: Evaluate Bid/Proposal

Purpose

Next the ITB or RFP is evaluated. Critical here are “responsiveness” and “responsibility.”

“Responsiveness” refers to how well the bid or proposal responds to the ITB or RFP. Firms must turn in the bid or proposal on time, meet the minimum specifications for a bid or requirements of the RFP. And, of course, they must complete the required forms.

“Responsibility,” refers to things such as adequate inventory, facilities, financial capacity or demonstrated ability to do the work. Reference checks may also be conducted to determine responsibility.

TASK		ACTION
1	PCSS	Determines Responsiveness and Responsibility
2	PCSS	If Bid : <ul style="list-style-type: none">• Determines low bidder.• Handles Issues (Tie Bids, Protests, etc.).• Sends bid results to agency for concurrence.• If YES, go to Step 5: Award (page 20).
3	Agency/ PCSS	The agency has primary responsibility. PCSS is available to assist. If RFP: <ul style="list-style-type: none">• Requests clarifications to technical details or prices on proposal.• Evaluates proposals and make competitive range determination.• Documents the decision-making process. If needed: <ul style="list-style-type: none">• Conducts discussions<ul style="list-style-type: none">- Requests clarifications,- Gathers information, demonstrations and interviews,- Visits proposer’s site,- Attends presentations.
4	Agency	<ul style="list-style-type: none">• Conducts negotiations.• Selects best value proposer.• If YES, go to Step 5: Award (page 20).

Step 5: Award - Create PO or Contract



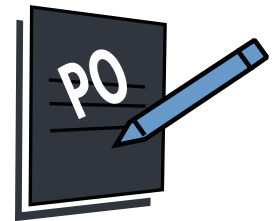
Step 5: Award - Create PO or Contract

Purpose

A procurement award is made to vendors in the form of either a Purchase Order (PO) or Contract.

Procedure

TASK		ACTION
1	PCSS Agency/ PCSS	If ITB: Awards Bid. If RFP: <ul style="list-style-type: none">• Completes negotiations with best proposer.• Awards contract.• The agency makes all business decisions; the role of PCSS is to provide expert advice. In many cases, the Prosecuting Attorney (PAO) and Risk Management Office participate in negotiations.
2	PCSS Agency/ PCSS	If ITB: Converts requisition into PO. If RFP: <ul style="list-style-type: none">• Combines addenda, RFP, proposal, and negotiations into contract PCSS prepares the contract. The agency may request that the PAO review and approve the contract as to form.
3	PCSS	If ITB or RFP is for goods and services, PCSS distributes to and collects forms and required attachments from vendor.
4	Agency	If RFP: <ul style="list-style-type: none">• Secures all final reviews of contracts by agency management and the PAO.• Obtains signature of Department Director on contract
5	PCSS	Enters PO or Contract into PCSS computer system




Step 5: Award—Create PO or Contract

Purchase Order (PO)


Requisitions are converted to Purchase Orders the work is awarded.

Shown here is an Oracle PO, one of two types of PO forms used by King County.

Purchase Order

 King County		Finance and Business Operations Division Procurement and Contract Services Section Department of Executive Services		EXC-FI-0871 Exchange Building, 8th Floor 821 Second Avenue Seattle, WA 98104-1598		206-684-1681 206-684-1470 Fax TTY Relay: 711 www.metrokc.gov		SHIP TO KC DEPT OF FINANCE FINANCIAL SYSTEMS, 7TH FLOOR 821 2ND AVE, MS: EXC-FI0790 SEATTLE, WA 98104-1598 United States		<table border="1"> <tr> <th colspan="3">Purchase Order</th> </tr> <tr> <th>PURCHASE ORDER NO.</th> <th>REVISION</th> <th>PAGE</th> </tr> <tr> <td>280994</td> <td>0</td> <td>1</td> </tr> <tr> <td colspan="3"> <small>THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKING SLIPS, CRITONS AND CORRESPONDENCE RELATED TO THIS ORDER.</small> </td> </tr> <tr> <td colspan="2"> CREATION DATE 01-APR-05 </td> <td> BUYER K Fitzthum </td> </tr> <tr> <td colspan="2"> DATE OF REVISION </td> <td> BUYER </td> </tr> </table>		Purchase Order			PURCHASE ORDER NO.	REVISION	PAGE	280994	0	1	<small>THIS PURCHASE ORDER NUMBER MUST APPEAR ON ALL INVOICES, PACKING SLIPS, CRITONS AND CORRESPONDENCE RELATED TO THIS ORDER.</small>			CREATION DATE 01-APR-05		BUYER K Fitzthum	DATE OF REVISION		BUYER
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CREATION DATE 01-APR-05		BUYER K Fitzthum																											
DATE OF REVISION		BUYER																											
VENDOR: Willy Wonka 123 COCONUT DRIVE ANYWHERE, ANYWHERE 123456		BILL TO KC DEPARTMENT OF FINANCE A/P, EXCHANGE BLDG, 8TH FL 821 2ND AVE - MS:EXC-FI0875 SEATTLE, WA 98104 United States																											

CUSTOMER ACCT #	VENDOR NO.	PAYMENT TERMS	FREIGHT TERMS	F.O.B.	SHIP VIA		
	27334	Net30days	Paid	Destination	UPS		
CONFIRM TO / TELEPHONE BILL WONKA			REQUESTOR / DELIVER TO				
LINE	PART NUMBER / DESCRIPTION	DELIVERY DATE	QUANTITY	UNIT	UNIT PRICE	EXTENSION	
1	EVERLASTING GOBSTOPPER o SHIP TO: Address at top of page		1.00	EACH	.5	0.50	N
2	FULL MEAL GUM o SHIP TO: Address at top of page		1.00	EACH	.25	0.25	N
3	LICKABLE WALLPAPER o SHIP TO: Address at top of page		1.00	YARD	1.5	1.50	N
4	TRICKY TRUFFLES o SHIP TO: Address at top of page		1.00	EACH	.75	0.75	N
TOTAL						3.00	

SEE REVERSE SIDE FOR ADDITIONAL TERMS AND CONDITIONS. THIS ORDER IS SUBJECT TO ALL THE TERMS AND CONDITIONS ON THE FRONT AND BACK HEREOF.	Required Invoice Information: Ship to Address, Mailstop, Requestor's Name, Purchase Order Number, Contract Number (if applicable), Line Item Number, description, and Unit Price as stated on the purchase order, may result in payment delays.	ACCEPTANCE: This purchase order expressly limits acceptance to the terms and conditions stated herein.	AUTHORIZED SIGNATURE 
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Step 6: Administer PO or Contract



Step 6: Administer PO or Contract

Purpose

Contract administration is the process of ensuring the terms of the purchase order or contract are enforced, goods and services are delivered satisfactorily, and the bills get paid.

Procedure

TASK		ACTION
1	Agency/ PCSS	The buyer and the agency make a determination whether the goods/services will be ordered by the buyer or by the agency.
2	Agency	Writes vouchers or receiving reports.
3	Agency	<ul style="list-style-type: none">• Monitors performance of Contractor.• As needed, makes site inspections, checks goods received, checks dates and milestones.
4	Agency	<ul style="list-style-type: none">• Processes invoices from Contractor• Checks for accuracy, match between contract and what goods were received or service delivered.
5	Agency/ PCSS	<ul style="list-style-type: none">• For contracts, the agency is responsible for preparing change orders, if needed, for changes to the work or services that are described in the contract. The agency is responsible for maintaining documentation and justification for all change orders. PCSS is available for expert advice.• For change orders, to extend purchase orders from Bids, the agency sends a requisition to exercise an optional term.
6	Agency/ PCSS	<ul style="list-style-type: none">• Agency handles day-to-day contract issues.• Agency documents problems and disputes.• PCSS should be called for any major contract disputes, remedies and if needed, contract termination.